Clinton who really worked hard to try to get health care reform.

This fight is decades in the making, and we are closer than we have ever been. We have reported out five bills in the Congress, so we're almost there. We're not far away. And so it's important that the American people hang in there, that they continue to be hopeful and expect success and that it's important to understand that success breeds success.

And as we pass health care, we will be able to really implement more policies that help working Americans, help the working class, the middle class Americans, help the environment, help us be a Nation that is at peace with the rest of the world, help us promote civil rights for all Americans and to leave no one out, to exclude no one, to stop policies of fear, of demonization, of exclusion. And this is something that offers very, very great promise for our Nation.

As I begin to wind down, I just want to make a few other observations that I think are very, very important, because I think it's so critical that we keep our focus on where it really should be.

And I am one who, you know, believes that when a group of constituents vote a Member to this auspicious body, that that person has something to offer. But I also want to say that elections have consequences. When you cast a vote and you send one party or the other to represent you, you have the right to expect that that party is going to deliver. And the Democratic Party, led by progressives, is delivering at this time.

I want to also say that new policies clearly underscore that the congressional party opposite is not in touch with the American people around health care reform. A new poll from Quinnipiac just released today further illustrates how Republican leaders of Congress are out of touch with the American people.

Just this morning, a leader in the party opposite said the public option has been resoundingly rejected by the American people, but look at the numbers that are coming out regarding the public option. On the wrong side of history. I recommend the rank and file come join the Democrats in passing health care reform. But as this new poll and others in recent weeks have all shown, Americans support a public insurance option in health insurance and in reform legislation.

This new Quinnipiac poll I mentioned said that 61 percent of Americans support a public option. The Wall Street Journal/NBC says 73 percent of the population supports a public option. The New York Times/CBS says 65 percent of the American public supports a public option. The Kaiser Family Foundation says 58 percent of the American people support a public option.

Other findings of the Quinnipiac poll say that Americans trust President Obama more than Congressional Republicans to handle health care reform, 47–31 percent; 64 percent of those surveyed disapproved of the way congressional Republicans are doing their job, including 42 percent of Republican voters. And it's important for Republican voters to know that they have a choice and that they should vote effectiveness: the people who are getting it done, not the people who had the White House and the House of Representatives and the Senate from the year 2000 to 2006 and didn't do anything other than veto the State Children's Health Insurance Program, that's what they did; but people who, within a few months, are already within the grasp of true health care reform.

□ 1830

The fact is, Madam Speaker, that this moment in time is important. It is as important as any other piece of historic legislation that we have seen.

It's clear that the health care industry is in the final throes, final throes, and it is demonstrating a level of desperation by issuing this industry report which clearly is fundamentally flawed and clearly shows that it's dishonest and deceptive. And even the drafters, PricewaterhouseCoopers, don't want to claim it. Experts say that it's wrong.

So we've heard about the death panels. False. We've heard about the school sex clinics. False. We've heard about government-run health care and accusations of socialism. False again. We've heard about immigrants taking over health care. False. And now the truth is really, really standing clear. Truth crashed to the Earth will rise up. That is what has happened.

It's important for Americans to take heart, to take hope, to help support the passage of true health care reform and to understand that if we can pass health care reform, if we can win this 60-plus-year-old battle to get health care reform, then there are other battles to be fought and other mountains to be climbed and greater things that this wonderful people can produce for the American people, that America can live out its progressive value system and can say that we are going to expand opportunity for more Americans. We're not going to demonize and vilify Americans who happen to be of a particular racial group or happen to be not born in the United States or we're not going to turn them into somehow ''the other,'' we're going to continue to embrace more people as this great country has done progressively over its history.

We're going to say that we're going to live in harmony with creation and not just use it as just a fungible commodity to be burned and polluting the air and destroying the seas and acidifying the ocean. Big things await the American people, but it's important that we get over this last piece of true reform to get this momentum moving.

Madam Speaker, I will yield back at this time and close out the progressive message. Thank you very much.

HEALTH CARE

The SPEAKER pro tempore (Mrs. HALVORSON). Under the Speaker's announced policy of January 6, 2009, the gentleman from Louisiana (Mr. CASSIDY) is recognized for 60 minutes as the designee of the minority leader.

Mr. CASSIDY. Madam Speaker, I had several communications today that were just so appropriate for this time of discussing health care. I spoke to a physician in Ville Platte, Louisiana, who spoke just how the only people that can actually control costs in health care is the patient. Because if you think about it, if patients come in and want a test and they don't get the test, and there's going to be a dissatisfaction, sometimes patients will go elsewhere, and they will get the test from another provider.

Secondly, I spoke to a small businessman who said that his premiums are going up by 27 percent. And the third thing, I wrote a letter to a former patient of mine, the widow of a man who had died of cancer, and I was struck that in each of these, a common consideration was the cost of health care. Indeed, as we speak about health care, we can never get away from the fact that cost is a driver of our discussions.

As we approach reform, there are three things we need. We need to have quality health care accessible to all at an affordable cost. When we say ''cost,'' the President acknowledges this, as well, the President has said that he will not sign a health care bill that adds one dime to our Nation's deficit. Now, by that criteria, and he understands that we are, as a Nation, having a problem with the budget deficit, if we create a new entitlement and if that adds to our budget deficit, then we, as a Nation, will be worse off.

I work in a public hospital in Louisiana. And in that public hospital, whenever money is tight in the State, there tends to be a squeeze on the financing of the hospital. I can remember years in which we would wait to order a test until after the new fiscal year. And this happens when cost is an issue.

So as we look at our goals of health care reform, it is accessible, quality health care at an affordable cost. Now, if the President says that he will not sign a bill that adds one dime to our Nation's deficit, we can understand why four of the five bills before us are essentially eliminated. Four of the five bills include the public option, and the public option has been projected to increase our Nation's deficit.

Importantly, they are also projected to increase costs at 8 percent per year. Now, 8 percent per year more than doubles cost over 10 years. So when the President says that we know if we do nothing, we know if we persist with the

status quo that costs will double in 10 years, four of these five reforms, on the face of them, according to the Congressional Budget Office, will more than double cost.

That leaves us with the fifth option which has received a lot of attention. That is the bill that is coming out of the Senate Finance Committee and which has come to be known as the Baucus bill. Now the Baucus bill is gathering our attention because according to the initial estimate, it would save $81 billion. Wow. If we can actually control costs in that way, that's remarkable. It should be something that we all get behind. This is being seen as a vehicle where the Democratic leadership in Congress can achieve their goal of having health care reform in the way that they wish to achieve it.

Now, let me pause for a second. We all want reform. When I speak to that small businessman that says that his cost of insurance is going up 27 percent in 1 year, we know that that is not sustainable. At issue is, will he do better if it is merely the taxpayer or the ratepayer? If we come up with something which more than doubles cost in 10 years, that's really reform absent reform. It is merely changing a private insurance bureaucracy to a public insurance bureaucracy.

So we come back to the Baucus plan. Now the Baucus plan is significant because, again, it supposedly will save us $81 billion in 10 years. But clearly there is an issue with it.

I say that because where do those savings come from? Who pays? Well, according to Speaker PELOSI who is, by the way, a Democrat, she says who pays this particular plan from the Senate Finance Committee? The savings come off the backs of the middle class. If you have insurance, you get taxed. There are $201 billion in taxes on health insurance plans with a 40 percent excise tax on insurance plans worth more than $8,000 for individuals or $21,000 for family policies. Families making less than $200,000 a year shoulder 87 percent of this burden. As it turns out, many of these people are union workers. Over years, union workers have given up wage increases in order to have more generous insurance benefits. By this, it makes it a bad situation. So the Senate finance plan will tax those benefits. And that's why Ms. PELOSI says the savings come off the backs of the middle class.

So if you have insurance, you get taxed. But if you don't have insurance, you get taxed. There are $4 billion in fines on the uninsured and $23 billion in penalties and fines for businesses whose employees enter the government exchange. So if you don't have insurance or do not provide it, then you get $27 billion in taxes.

If you use medical devices, hearing aids or artificial hearts, you get taxed. There's going to be a $38 billion tax on medical device manufacturers. If you take prescription drugs, you get taxed. There are $22 billion in savings that are achieved by taxing prescription drug producers.

Total, there's $349 billion in new taxes on employers, individuals, medical device and drug manufacturers and insurance providers and families making $200,000 or less. Let's face it, $200,000 is a lot of money, but that's also ''or less'' will pay 87 percent of the taxes. If the math holds, then about $300 billion in these taxes will come from folks who are middle class or just lower upper income, if you will.

Despite that, there's still higher health care costs. According to the Congressional Budget Office, the independent arm of Congress, the premiums in this new insurance exchange which is created by this plan would tend to be higher than the average premiums in the current individual market. In fact, Mr. Elmendorf, who is the head of CBO, said that we note that piece of legislation would raise premiums on average.

There's also $200 billion in taxes on health insurance plans. So that tax, presumably, will be passed on to the person purchasing the policy, so that makes those policies more expensive. And ultimately, we know that taxes upon the pharmaceutical industry and manufacturers of durable medical equipment will be passed to the people that consume it.

So there are several other things that we will explore as we go through. I'm joined by my colleagues, so I will ask Congressman GINGREY, who is also a physician, as I am, if he would contribute to the conversation.

Mr. GINGREY of Georgia. Madam Speaker, I thank the gentleman from Louisiana, Dr. CASSIDY, for yielding to me. I am glad to be with him and my other colleagues during this hour talking about this important issue of health care reform.

What Dr. CASSIDY is talking about in regard to the cost, I think, is very important. And we are constantly going back and forth trying to figure out what it's going to cost and how it's going to be paid for. One thing I would like for my colleagues to understand is that even if you can pay for something—and we're talking about a lot of money here. The 800-something-billion-dollar estimate, I think, is far lower than the actual cost, which is probably more in the range of at least $1.5 trillion over 10 years. And of course we can make a case, and I'm sure my colleagues will do that, when you really score this plan that the Democratic majority, Madam Speaker, has in mind, when you calculate it, when it's fully implemented in the year 2014 through the year 2023, then you're probably talking about something that, in fact, would cost more like $2.5 trillion.

So we're talking about huge numbers here. But even if you can pay for it, even if the President can fulfill his promise of not raising taxes or not adding one dime to the deficit, and all these promises he has made, that if people like what they've got, they can keep it and won't be forced out of their current health insurance plan, the point is you're paying for something that's a bad plan.

Let's think back 25 or 30 years ago. When somebody decided that they were going to buy a new car, they figured out how to pay for that new car: Well, we're not going to go out to eat but one time a month; well, we're not going to take the family to the movies; we're going to cancel our vacation this year, and we're going to finally come up with the money, and we've got it, honey. We've got the money, and we can buy this new car, and we go out and buy an Edsel.

Now that makes a whole lot of sense, doesn't it, my colleagues? No. It doesn't make a bit of sense. It's one thing to talk about paying for it, but if we are going to pay for something, if we're going to make those kinds of sacrifices, let's pay for the right thing. I hope my colleagues understand where I'm coming from on this.

We on the Republican side of the aisle know we need to reform our health care system. We can do it. We can do it in an incremental way, and we don't have to break the bank in the process. We don't have to throw the baby out with the bath water.

I want to not take too much time, because a number of my colleagues are here with us on the floor, and I want to yield back to the gentleman from Louisiana controlling the time so that he can allow the others to talk.

We can do this. And if the President will abide by the promises that he has made, I've got a bill that I have introduced that is based on 10 principles, basically, saying no new taxes, no addition to the deficit, no government bureaucrat coming between a doctor and a patient, no rationing of care, and absolutely no denying coverage to people that have preexisting conditions and to assure that anything that we do purchase is not an Edsel and that, in fact, we do bend the cost curve and lower the cost of health insurance to every American.

□ 1845

This is the thing that I want to stress, and I think it's hugely important that we always keep that in mind.

I thank the gentleman for giving me an opportunity to be with him tonight.

Mr. CASSIDY. Thank you, Congressman GINGREY.

I think what you are talking about when you have the money, honey, let's go buy a new car, means that you actually have a way of financing within your own budget that's honest and that you know you can sustain, so that after a year of purchasing the car, you can continue the payments.

I would like to in a later point go back to Republican solutions, but just provide a little bit of a critique on the Senate Finance bill, because I don't think that they actually have their money, honey. One of the reasons I am

concerned is because this is, if you will, a schematic of where they have achieved their savings from.

One of these is an unfunded mandate on States to provide Medicaid coverage for folks for whom they do not do so now. That's important because it means that it is a State taxpayer that does it.

Even though they achieve savings and theoretically are not increasing the Federal deficit, they will be increasing State deficits. According to different Governors, Arnold Schwarzenegger says that in California this unfunded mandate will be $8 billion a year. That's in The Washington Post.

Now, they already have a $45 billion deficit in California. Governor Schwarzenegger is saying that it's going to add to that $8 billion a year; in Tennessee their Governor says $5 billion; Texas $20.4 billion increased cost over 10 years; Arizona, $4 billion cost over 5 years.

My State of Louisiana, which has a $1.8 billion shortfall in Medicaid over the next 2 years, this will increase the Medicaid deficit by $640 million over 5 years. I wish our State was as wealthy as California; but in our State, $640 million over 5 years is truly a tall mountain to climb.

We are joined tonight by Congresswoman LUMMIS, who is a former State treasurer from Wyoming. Congresswoman LUMMIS, will you please offer your thoughts.

Mrs. LUMMIS. I thank the gentleman for yielding and for holding this discussion about health care costs.

What we do know about the bill, and the gentleman's chart shows some of the problems with it, Medicare cuts are going to be bearing a huge brunt of the expense of this new mandate.

There are $350 billion worth of Federal tax hikes, but those that combined are not enough. The Senate Finance Committee's bill imposes a $33 billion unfunded Medicaid mandate on the States. Now, what that means, an unfunded mandate is when the Federal Government tells the States you will pay for part of this, and it will come out of your pocket.

Mr. CASSIDY. What we see on this previous slide is there is $81 billion, these are in billions, so there is $81 billion in savings. That's how much it cuts the Federal deficit. The $33 billion you speak of is from the Congressional Budget Office estimate, the independent arm of Congress. We would have to at least subtract $33 billion from that $81 billion if we are talking about total health care spending by a government entity. Fair statement?

Mrs. LUMMIS. Indeed. Furthermore, 33 States could see an over-30 percent increase in their Medicaid enrollment. Those kinds of increases, including my State of Wyoming, will hit States whose budgets are suffering now without these additional costs.

In my State of Wyoming, our Governor has asked his State agencies to propose budgets that are 10 percent lower than the last budget, and that includes cutting Medicaid options.

Mr. CASSIDY. That's 10 percent now without the imposition of the unfunded Medicaid mandate; is that correct?

Mrs. LUMMIS. The gentleman from Louisiana is correct. This is not just coming from States like mine in Wyoming. The Governor of Pennsylvania, the Democratic Governor of Pennsylvania, has said, I think it's an unfunded mandate. We just don't have the wherewithal to absorb that without some new revenue source. Now, that would be a new revenue source in Pennsylvania in addition to the new revenue sources that the Federal Government imposes.

Mr. CASSIDY. New revenue source means State tax.

Mrs. LUMMIS. It does indeed. The gentleman from Louisiana is once again correct. The Governor of Tennessee, also a Democrat, has said he fears Congress is about to bestow the mother of all unfunded mandates. Unfunded mandates are orders from Washington that States will spend money that they don't have.

Mr. CASSIDY. I kind of like that, ''mother of unfunded mandates.''

Congressman THOMPSON, you are from Pennsylvania, and we are speaking of Pennsylvania. What thoughts would you offer, say, regarding, for example, I see that this is the Medicaid population increase per State under this bill. By this, in Pennsylvania, you will go up 20 percent. What would that mean to the State taxpayers of Pennsylvania?

Mr. THOMPSON of Pennsylvania. Well, I thank the gentleman for coordinating this very important discussion this evening, and I thank the gentlelady from Wyoming for referencing the Keystone State.

Yes, Pennsylvania would be impacted tremendously by this. Certainly, expanding health care is a laudable goal, but this Federal mandate would require the increase of State Medicaid funding, an unfunded mandate. With this legislation, Pennsylvania would be required to increase State Medicaid funding by $2.2 billion over the next 10 years. Additionally, Federal subsidies for Medicaid would end in 2019, leaving States to pay the full costs of the Medicaid expansion. In Pennsylvania, the costs would be approximately $930 million in the year 2020 alone.

Now, Pennsylvania, my State legislative colleagues, they have had a challenging time. They just, finally, after months and months, came to a budget agreement. There was a budget crisis. It really illustrates how difficult it is for the State to maintain a balanced budget with rapidly increasing costs of government programs.

Mr. CASSIDY. Now, just so the folks understand this issue, in State government, State governments can't print money. They have got to balance the budget, I presume, in Pennsylvania as in my State.

If your population is going up, Medicaid population is going up by 20 percent, and you mentioned how much extra money will have to go into that, that will either come from higher taxes or lower services, for example, lower money spent for road construction, for secondary education, for colleges, et cetera; is that correct?

Mr. THOMPSON of Pennsylvania. It's going to come out of the pockets of the taxpayers. Here's the rub with that: there are actually, as you read the Baucus bill from the Senate, there are exemptions, interestingly enough. One of those is for the State of Nevada. Nevada is on that chart, but I think Democrats and Republicans alike are aware of the damages that this bill will inflict on their States.

In the States, in the Senate version, for example, Senator REID negotiated a deal to exempt the State of Nevada from any additional mandates in the health care legislation. Now, if this proposed legislation is too much of a burden for Nevada, what about the rest of the country?

Mr. CASSIDY. Governor Schwarzenegger says that this will add $8 billion in cost per year to California. In Texas they project over $4 billion per year. But these States will have to come up out of pocket. But because Nevada has been able to swing a separate deal, they are protected from this cost, although these States are not.

Mr. THOMPSON of Pennsylvania. Well, they are not only protected, but the taxpayers in our States will be paying their bill.

Mr. CASSIDY. So the Californians and the Texans and the Louisianans will be paying for their own States, and they will be paying for Nevada too.

Mr. THOMPSON of Pennsylvania. A total of four States were exempted. Nevada is the one I know of.

Mr. CASSIDY. Well, this is where other States are, the growth in the Medicaid population.

I am going to ask Congressman BOOZMAN to speak. Arkansas' Medicaid population will go up by 40 percent, and what will that do to your State finances?

Mr. BOOZMAN. Well, as the gentleman just said, our taxes will go up; and we will not only be paying Arkansas' share, but we will be paying for those four States that have worked a deal.

I was struck. Will you go back to the chart that shows the Medicare.

You know, when you look at that chart, a tremendous amount of the pay-fors come out of Medicare, cuts to Medicare doctors, $240 billion. Right now, it's not uncommon at all for me to get a call because I am an optometrist and practitioner in the area for a long time, and they say, my aunt's moved to town and they are having trouble finding a Medicare practitioner now because people are cutting back on their hours and just refusing to have additional patients.

We are talking about cutting that $240 billion, $130 billion to the Advantage Program and 120 to the Medicare

hospital account, which really will devastate rural hospitals in particular, which really will affect my State a great deal. When you add all of that up, that's close to $500 billion.

Medicare goes broke now in 2017, 2018. You have to ask yourself, What is Medicare going to look like in 7 or 8 years? Right now, it's a good program. Our seniors are doing well; they are getting good care.

But when you add 30 percent more population to the program, take away $500 billion of their resources, again, what is that program going to look like? What is that going to do to our seniors?

I had a senior call me today, an old coach of mine. He said, John, I don't understand this. You know, we are the group that have paid taxes the longest. I have faithfully paid in—this gentleman is in his 80s. He said, I have paid in all my life, and now I am at the point where I am needing my care, and we paid in the longest, and you are going to penalize us the most.

I think that's something that we really do have to consider.

Mr. CASSIDY. Your point being that some of these savings that are achieved to give this nice Congressional Budget Office evaluation of the cost of the Senate Finance bill are, if you will, the savings coming from $240 billion cuts to providers.

Now, Dr. ROE, you have practiced medicine in Tennessee for many years. Two questions for you.

Is Medicare payments to hospitals and physicians so much above their cost that you can decrease them this amount and not impact the ability of those folks to continue to see Medicare patients? I will start with that question.

Mr. ROE of Tennessee. Well, I think the mantra that you hear is we want affordable, accessible, quality health care. Just to speak to what Dr. BOOZMAN was saying there briefly, if you look at the next 10 years, and you take 400, $500 billion out of the Medicare system, and you add 3 to 3½ million people to the Medicare system, each year, and then in the Baucus bill after year 2 you cut providers by 24 percent, you do the math.

I mean, how can you provide more quality care to 30 million people with $500 billion less money? You do the math, it's impossible.

Mrs. LUMMIS. My own Wyoming medical center in Casper, Wyoming, gave me statistics that show that they are reimbursed 37 cents on the dollar for every Medicaid actual dollar that they pay out. That means that two-thirds, roughly, of the dollars that are paid to Medicare-receiving patients are paid by someone other than the Federal Government.

We are already subsidizing the Federal Government. The Federal Government is already not meeting its obligation to serve Medicare patients.

Mr. ROE of Tennessee. We have done—there are two plans out there that have had beautiful experiments in the States. That's Tennessee and Massachusetts.

What happened in Tennessee, in the early 1990s, we had managed care come along and the health care costs were escalating. We have a lot of uninsured Tennesseans. It was a noble goal to try to cover as many Tennesseans as we could. So we started a plan with eight different managed care plans to compete for business.

What happened between 1993 and 2004, budget years, 10 budget years, 11 budget cycles, is that the cost on spending, on Medicaid, which is TennCare, our exemption from the Medicaid system, went from 2.5 or $2.6 billion a year to $8.5 billion a year, over triple in cost.

Now, what do we get for that? Well, we got more people covered; and we found in this public option that 45 percent of the people who had the public option dropped private health insurance and went on the government plan. Well, that was fine for the person who got the care at that time.

But what happened, to make your point, is that the Medicaid system in our State pays less than 60 percent of the cost of actually providing the care. Medicare pays somewhere between 80 and 90 percent of the costs, the uninsured somewhere in between, and the rest of it has shifted to private health insurance companies.

I can tell you exactly what happened in our State is that they almost broke the State. The Governor, who is a Democrat and who is doing a fine job, as is the legislature that's Republican, are working together to try to solve this problem.

□ 1900

How did they do it? How did they ration care? What they did was they cut 200,000 people from the rolls because the State could not afford it.

What also is going to happen is our governor, and I have a letter from the governor right here, is extremely worried about the Bachus plan, and he has already scored that because he knows the next governor is going to have to deal with it. What he is looking at is at least $735 million over 5 years. And if this were to happen, if the State were to sue Medicaid, which Washington State and California have done, to freeze the rates so that you couldn't lower the Medicare and Medicaid rates, that could be as much as $1 billion more for the State in an unfunded mandate.

Right now our State has no way to pay for it. We just don't have it in Tennessee. And to show you we don't, the governor and the legislature have had to cut off enrollment in the SCHIP plan, in our State it is called Cover Kids, because we don't have the money for even our matching part right now.

Mr. CASSIDY. So, reclaiming my time, your experience is basically the kind of experience I have had. If costs are not controlled, ultimately patient care suffers.

Mr. ROE of Tennessee. Look, just to get some more time, if you look at this, there is no way on this Earth, and I said when I came here I was worried, very worried, about our children and grandchildren, my grandchildren, how they were going to do in this system. I am now very worried about our seniors, because I am afraid when you decrease the amount of resources, the amount of dollars, and add more people and cut the costs, cut the amount of money you are going to pay to providers, you will decrease access and you will decrease quality. It has to happen. Or, thirdly, our seniors are going to pay a whole lot more money for their health care, which they cannot afford.

In our area where I live in the First District of Tennessee, it is not an affluent area; it is a mountainous area of the State, and so many patients that I saw every year, a lot of widows that I saw lived on a fixed income, a small Social Security check, $500, $600, $700 a month and maybe a $100-a-month pension. They cannot afford any more for their health care right now.

There are millions of Americans, our seniors, who no longer can go out into the workforce. They can't hold a job at Wal-Mart as a greeter or at McDonald's or whatever. They are just physically not able. What are we going to do for those folks?

Mr. CASSIDY. Reclaiming my time, Congressman GOHMERT, your State will have a 77 percent increase in your Medicaid population, so your governor predicts it will be $4 billion more a year in costs to the State of Texas. So as we score this Senate finance bill, which supposedly saves the Federal Government money, it apparently saves it by making Texans pay more on their State taxes, is that correct?

Mr. GOHMERT. Absolutely correct. Texans will be devastated. I understand a lot of folks aren't concerned about what affects Texans, but Texans are. But you have to look across the country at the way it affects overall the Nation, and this is devastating.

I wanted to follow up on something my friends were talking about with regard to the costs of Medicare and Medicaid. We had just heard earlier tonight from my friend from New York, that, gee, the actual overhead cost of Medicare is, he said 3.5 percent, and the overhead cost for insurance companies is 30 percent.

I don't know where he is getting those numbers. The numbers that I have seen, the numbers I have gotten from reports here, I have got them in front of me, indicate it may be 3 percent or so for Medicare average, but that is not all-inclusive of their costs, and private insurance averages around 12 percent.

But Medicare, as this article notes, Medicare is devoted to serving a population that is elderly and therefore in need of greater levels of medical care, and it generates significantly higher expenditures than private insurance plans, thus making administrative

costs smaller as a percentage of total costs. This creates the appearance that Medicare is a model of administrative efficiency.

But what John Alter sees as a miracle is really just a statistical sleight of hand. This notes that private insurers have a number of additional expenditures falling into the category of administrative costs, like taxes that they have to pay that Medicare does not pay.

Additionally, when you compare the administrative costs on a per-person basis, Medicare is dramatically less efficient than private insurance plans. And, as this article notes, Medicare's administrative costs from 2001 to 2005 were, on a per-person basis, 24.8 percent higher on average than private insurance. So when they talk about adding millions of more people on a Federal plan, you add that additional per-person amount, it is going to be dramatic.

My friend from Pennsylvania asked that I yield.

Mr. TIM MURPHY of Pennsylvania. I appreciate the gentleman yielding.

There are a couple items on that, that are important to know. When people talk about the low overhead cost for administration for Medicare, that is because they don't count the things that go with the Department of Health, CMS, and all of the administrative costs that physicians have to have, because what they do is, they pay doctors and hospitals less, as has been pointed out, and have many times a loss on this.

If I could elaborate on this, this is important, because as the majority is looking at removing $500 billion from Medicare, you can cannot slash a program by that much without having devastating effects.

It reminds me of the old days in medicine, I wasn't around at the time, when they thought they could treat patients by bleeding them. They said you won't miss a pint or two of blood. It does affect the patient.

In this case, let's keep this in mind: Health care is not expensive because people have insurance, and yet they want to tax insurance. It is expensive because it is filled with waste and inefficiency and misdirected government mandates. When the government comes by and gives doctors pages and pages of paperwork and says you can do this but you can't do that, it is a concern.

Let me give you an example of that. Ninety-five percent of Medicare goes to pay for chronic illness, but because Congress says you can't really manage chronic illness, it is a massive amount of waste. What can doctors pay for? Individual tests, individual procedures. But we know that disease management saves money. With a diabetic patient, heart disease, pulmonary disease, very complex cases which often times require multiple specialists to go to, multiple medications, but as the President himself said, and I remember having this conversation at the White House as well, we will not pay a penny to have a nurse or physician's office call that patient, check their blood glucose levels, check their oxygen levels, see how they are doing, but we will pay tens of thousands of dollars to amputate their feet for a severe diabetic. That is part of the problem we face with Medicare.

Here are a few more. Not only do we not pay for disease management, Medicare Advantage does. Medicare Advantage pays to have someone belong to some sort of an organization where they will get in physical shape. It pays for vision and dental. But now the talk is, let's cut Medicare Advantage because it costs too much and let's somehow do these other things.

It doesn't make sense. This is not evidence-based medicine. Evidence-based medicine says for patients who have a lot of complications, you treat those patients, you work with those complications. And yet what is happening here, the way this Senate bill goes, and I was just looking at this, is, it says let's slash Medicare Advantage so seniors do not have this.

Keep this in mind: Only 1 in 10 Medicare beneficiaries are traditional fee for service, because fee for service doesn't limit out-of-pocket expenses and provides many of the supplement benefits that Medicare Advantage does. That is where, when people says it rewards overuse, it is because that is the only thing sometimes it will pay for.

We need to focus on how we can actually reduce health care costs. The sad thing about this is that by reducing fees this much for Medicare Advantage, by refusing to pay the very thing that we acknowledge that science and medicine is telling us is going to work, instead what it is going to be is pay doctors less, pay hospitals less, put more burden on the patients, gut $500 billion, and somehow miraculously out of the sky will come a more efficient health care system. It is just the opposite, I submit to you. Just the opposite.

Mr. CASSIDY. Reclaiming my time, it strikes me really in one way there is nothing radical about these plans, because all these plans do is take the current top-down, bureaucratic-controlled system and they nationalize it. Now, it is not the same sort of, if you will, patient-centered, where patients are involved in their care, patients are involved in saving costs. It doesn't involve that.

In a sense it is new wine in an old wineskin. All we are going to do is put the new wine of a nationalized, centralized, controlled type process, and without any of the things that you describe, which are, if you will, truly transformative, things that would help lower costs by empowering patients and empowering the physicians to work with those patients.

Mr. BOOZMAN. Can I say something to the gentleman from Texas? The other thing that we have to remember in the administrative cost is that at least 10 percent is waste and fraud. So you have this very low administrative cost. Well, they are not doing anything.

Mr. CASSIDY. You are speaking of Medicare, if I may reclaim my time.

Mr. BOOZMAN. In speaking of Medicare. The President stood up here a few weeks ago and agreed. In fact, all of the things—he was going to fix everything—much of what he was going to fix was going to be paid for by getting rid of this waste and fraud, primarily in Medicare and then also in Medicaid. So when you are not really administering, when you have all of this going on, then certainly you are going to have a very low expense. But the true expense is much higher.

Mr. GOHMERT. And John Stossel had made that point well and referred to the Cato Institute, that 10 to 20 percent of private insurance administrative costs goes to preventing fraud because the private insurers care about whether or not they lose money. But, on the other hand, as he points out, Medicare is just taxpayer money, so they haven't been as concerned with waste, fraud and abuse.

From my days as a judge, what we saw was when somebody knows where there is fraud going on and they have a duty to do something about it and don't, they are accessories to the fraud. So it grieves me much to hear leaders around this town in the majority and the administration at the White House saying, if you will pass this bill, we will cut out the waste, fraud and abuse, and that will pay for $500 billion in cuts. Why don't you quit being an accessory and cut it where it is?

I have just got to mention this. I was talking to a senior that I consider a very wise individual, and this weekend she said, You know what concerns me about the $500 billion in cuts to Medicare? Maybe not, but I can't help but think, they know that as seniors, we have been through World War II, we have seen the evils that lurk in this world. We have gained great wisdom from our years. And they are willing to let us die off more quickly so that we are not around to try to get our wisdom across to the young people of what is at risk by this government takeover.

Mr. CASSIDY. Reclaiming my time, as we come back to this, the conversation is that the bill which has been favorably reported as $81 billion in savings, actually the savings, as Ms. PELOSI says, comes on the back of the middle-class. If you will, part of the conversation is that it punishes the middle class. In fact, if you include the cost of the unfunded mandate to the States, if you recognize that some of these Medicare cuts just won't happen, it is reasonable to say that it is going to increase the deficit. If you will, I would like to say it is not so much fiscal responsibility as it is fiscal sleight of hand.

That said, Congressman THOMPSON, you have been a hospital administrator. What would be the impact of these savings upon the patients who were seen in hospitals where you worked?

Mr. THOMPSON of Pennsylvania. Well, I thank my good friend for that question. Actually I go back to the position I left 2 days before I was sworn into Congress, and actually at that point I will take it to be my responsibility in two areas specifically designated in here: Skilled nursing and hospice. I actually was a licensed nursing home administrator up to that point, working with individuals that really are the most vulnerable.

The people today that are in skilled nursing are the sick of the sick. They are individuals who have no other alternatives. We work real hard to have people stay in their homes and to age with dignity, but there are certain ones, and it is a small part of the population, they need facilities like good, caring, compassionate skilled-nursing facilities.

At the same time, for those folks who are at the final days of their lives and find themselves with a terminal disease, they need services such as hospice, where they are able to die with dignity and with compassion, surrounded by family, whether it is in their homes or in a facility much like the one I worked in.

So it just, I would say, grieves me, but angers me actually that this Senate health care bill, among the Medicare cuts that we see today, are slated for skilled-nursing facilities, which I can tell you nobody is getting rich in the skilled-nursing industry. It is challenging to make the day-to-day financial payments and requirements there. But the skilled-nursing facilities under this Democrat proposed bill are slated for cuts of $14.6 billion.

Mr. CASSIDY. Now, reclaiming my time, that is not an industry. That is a set of patients. Is that a fair statement?

Mr. THOMPSON of Pennsylvania. I think it is people's lives. You are right. This goes beyond an impact on industry. This is in fact an impact on people's lives, and the lives of people who really are some of the most vulnerable folks that are in our country.

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And then you turn to hospice services. There are people that are in their final days of life and they're looking for that opportunity to die with dignity surrounded by family and loved ones in a setting that is just very compassionate, and this bill is anything but compassionate. This Democratic bill that is scheduled for $11 billion in Medicare cuts to hospice.

Mrs. LUMMIS. Will the gentleman yield?

Mr. THOMPSON of Pennsylvania. Certainly.

Mrs. LUMMIS. You know, one of the most exasperating things about this whole health care debate in the last several months that's been unfolding is that the bills we've seen from the Democratic Party, from the majority party, will make matters worse than the status quo. But we don't have, as a minority party, the opportunity to show people how we can make matters better than the status quo.

And I would yield to our leader this evening to discuss some of those 40 bills that members in the minority party have sponsored that would make matters better.

Mr. CASSIDY. Reclaiming my time, I was speaking to that small business man today back home whose premiums have just gone up 27 percent, and he was unaware of the Republican options. And there's a wall of sound that says the only thing we can discuss are the Democratic-controlled bills as opposed to the other options.

There is H.R. 3400, which really encapsulates many of the things that Congressman MURPHY was speaking about earlier. Now, if we want to say that there are the essentials of health care reform, there's an article by McKinsey & Company which is very good. And it says the essentials are to reduce administrative costs, reduce the cost of chronic care, which is what Congressman MURPHY was talking about, and incentivizing patients to make value-conscious decisions so that when the patient actually becomes aware of how much something costs, she will make a different decision than if she feels as if it costs nothing more at all.

I know, Congressman ROE, you have experience with the health savings accounts, if you wouldn't mind commenting on that.

Mr. ROE of Tennessee. Well, I appreciate that.

There's no question in our area we've had four different small businesses, including Johnson City, Tennessee, where I was mayor before I came here, that have actually flattened their premium increases by doing exactly what Congressman MURPHY was talking about. You change the incentives.

BAE Corporation, Holston Munitions, they make C–4 and plastic explosives and so forth, and that company has 700 or 800 employees. They have not had a premium increase in 5 years in that company. How'd they do that? Well, they changed the incentives. If you were hypertensive and obese and smoked, it would cost you more for your insurance. If you got on their plan, their wellness program, and you stopped smoking, you exercised, and you lost weight, they would reward you financially. And guess what? They have kept their premiums down. Free Will Baptist Ministries, a small 150-person group has done exactly the same thing.

I've had a health savings account, and let me explain that to people out there who are scared away with this. In our practice, we have almost 300 employees who get insurance through our company, through our business, our medical practice, and 84 percent of them have a health savings account.

What that is is this: You manage the first dollars. The first dollars may be $3,000. Mine was $5,000. So I paid the first dollar for any health care, but it made me a great consumer. It also incentivized me to stay healthy, exercise, eat right. If you don't spend that money, guess what happens? You get to keep it, roll it over into next year like an IRA, and you can spend that on your health care the next year. And if you're healthy over a number of years, then you're able to keep this money and buy long-term care with it or whatever you want to spend it on health care-wise. If anything over $5,000, I had a catastrophic policy, so if I had a cancer or a car accident or some severe illness, it covered 100 percent. So basically what I was doing was I'm the insurance company. I'm managing my own care and my own dollars. It works extremely well. Under this plan, it does not work.

And before I stop, I wanted to pass along something that I found very fascinating in Massachusetts. In Massachusetts, they've done a great job of trying to cover their citizens there. They have about 97 percent covered, but they're running into the same issue that we did in Tennessee. From 2006 until now, State spending on health care is up 70 percent. And in that State, you cannot be denied coverage and you have a mandate to buy insurance as an individual. So you have to purchase this insurance.

Harvard Pilgrim Health Care, from 2008 until 2009, found this out, that 40 percent of their new enrollees were enrolled for less than 5 months, and during that 5-month period of time, they averaged spending $2,400 a month on those folks. For the folks like the rest of us that just go out and pay our premiums, it was $350 a month. So what these people were doing is they were waiting till they got sick, then they bought the health insurance, and when they got well, they dropped it. So they paid the fee or the tax. Look, people will do what's in their own best interest. They're smart, and they'll figure out what to do. So I don't know how you make people or force people to do it.

Guess what happened in Massachusetts? The rest of us, the rest of the folks up there who got insurance subsidized those people greatly. So I think you have to put the onus back on, and we have several plans out there that can do that, that incentivize people to look after their own health care. I mean, some very simple things to do.

Tort reform. Very simple. You can save billions of dollars. Take away State lines. Allow co-ops or association health plans to be formed. Subsidize State high-risk pools. So if a patient of mine who came in and said, Dr. ROE, I was diagnosed with breast cancer 5 years ago and I'm uninsurable, make sure that patient, that woman can get affordable health insurance. Those are simple things we can do that everybody in this Chamber ought to be able to agree on.

Mr. CASSIDY. So, as opposed to the Senate finance plan which, frankly, I think punishes the middle class—again,

Speaker PELOSI says that the savings in this plan will come off the backs of the middle class. Instead, we're offering a different sort of thing which costs are controlled by empowering patients. As Dr. Ardoin said, from Ville Platte, Louisiana, patients are the only one that can control costs. And so that would be our sense, empowering patients as opposed to putting the savings off the back of the middle class.

Mr. ROE of Tennessee. Dr. Cassidy, you know this, that if I had a patient that was a pregnant diabetic and she came to me, I can tell her what to do, but unless she's empowered to take care of her own blood sugar calculations, she's not going to have a successful outcome. So we absolutely have to engage our patients in solving these problems. There's no doubt about it.

Mr. CASSIDY. And reclaiming my time, to have some independent judgments, again, the Congressional Budget Office is the one that says that the Senate Finance plan will have a growth in cost of 8 percent per year, which more than doubles. Contrast that with the Kaiser Family Foundation study about health savings accounts, and they've found that a family of four with a health savings account and a catastrophic policy on top had a cost of insurance 30 percent cheaper than a family of four with a traditional insurance policy. So because the family is engaged, their costs are 30 percent cheaper, again, per Kaiser Family Foundation. That's bending the cost curve.

Mr. ROE of Tennessee. Well, there's no question that the American people are the greatest shoppers in the world. I mean, how many of us haven't driven over five lanes of interstate to get gas 2 cents a gallon cheaper. I mean, we've all done that. Admit it. We are good shoppers and consumers, and health care ought to be the same way.

Mr. CASSIDY. So Congressman GOHMERT, have you ever driven across five lanes of traffic to get some gasoline at a penny cheaper?

Mr. GOHMERT. I've driven further than that to get cheaper gasoline. I've driven a lot further. In fact, I'm a guy that when I get my gasoline and I turn off the pump, I will still make sure I get all the gas out of that hose into my car that I paid for. Americans do that kind of thing when it matters.

Mr. CASSIDY. Reclaiming my time, and that's because you're empowered, if you will. Now, what if someone else were filling up your gas tank? Do you think that if someone else were the responsible party as opposed to you, would it be the same dynamic?

Mr. GOHMERT. I doubt that if anybody's got my credit card and paying for my gas that they'd go to that much trouble that I do when I'm paying for it. But I'll tell you, to follow up on what's been discussed here and mentioned about health savings accounts, even yesterday we had people across the aisle coming to this floor and saying, Republicans have no solutions. And I don't care how many times they say it, it is still not true. As my friends have been talking about, we have some plans.

I have a bill that uses the HSA, the health savings account, as the method of getting health care on track, of getting patients the power they haven't had in years, the coverage they haven't had in years, or ever. And we had people on the floor from across the aisle just saying yesterday and today that we want people to get on Medicare; we have no alternative to that. They need to read some of our proposals.

My bill, it gives seniors an option. You can stay on Medicare or we will give you money every year in a health savings account and pay for the catastrophic care to cover everything above that. You won't need supplemental. You won't need wrap-around, and we'll give you that choice, because I know where they're going to go, and when we incentivize the young like we do in my bill, like my friend Dr. ROE was talking about, that is going to get the young people on there. So as they get older, they will have accumulated, most of them, so much in their HSA they're not going to want anybody from the government interfering in their health care.

Mr. ROE of Tennessee. Would the gentleman yield?

Mr. GOHMERT. Sure.

Mr. ROE of Tennessee. When I go in, and I had a procedure done on myself a couple of years ago. I take this card right here, which is my health savings account, and it's a debit card. And that day they get paid. I said, I want your best price. I want the lowest price you can give me right here when I pay you because you get your money, no insurance company involved, no anything. I'm paying today cash out of my health savings account.

Mr. CASSIDY. If I may reclaim my time, again, going back to the McKinsey & Company report that spoke about the three imperatives for health reform, one was decreasing administrative costs. I read a statistic that 40 percent of the overhead of a primary practitioner is related to billing. With that debit card, you just lowered that 40 percent to a minimal percent.

Mr. GOHMERT. If the gentleman would yield, another thing that does is it gets transparency back in the process, because when you come in with an empowered HSA debit card and you tell them, as Dr. ROE did, give me your best price, and under my bill, it requires that they give everybody exactly what the prices are in advance. And if Blue Cross is getting a better price, they have to tell you that, too. And then you would say, well, you either give me the Blue Cross price or I'm going down the street where they will. It gets competition back in when you get that transparency. We have that in our alternative bills that are not getting the chance here on the floor.

Mr. BOOZMAN. The other thing I would say, and you all, the gentleman from Tennessee and you might talk about the importance of getting rid of these nuisance lawsuits. We got good news. I believe it was the CBO, somebody scored this week to the tune of many, many billions of dollars. That's something that our side is pushing for very, very hard. Everyone agrees. Even the President, when he addressed us a few weeks ago, made mention of the fact that he'd been talking to his physician friends and this and that and that he felt like, you know, that there was something there. The problem was the solution that he offered is really no solution.

But why don't you guys talk a little bit about the numbers, what that would do, and then also how that drove costs in your individual practices.

Mr. CASSIDY. Dr. ROE, as we try and come up with a plan which is patient centered, that controls costs, that expands care, OB–GYNs, which you are, have had more problems—except maybe neurosurgeons—with the cost of malpractice. Would you mind commenting?

Mr. ROE of Tennessee. Thank you. Let me just give you a little historical trip.

These crises, legal crises have occurred throughout various States in the Union, and it occurred in Tennessee in the mid seventies. All the companies who provided malpractice insurance left the State. So the doctors got together and formed a mutual insurance company, State Volunteer Mutual Insurance Company, where what we don't pay out in premiums—I mean in charges and costs. We keep and it comes back as lower. When I got my first malpractice premium in the seventies, it was $4,000 a year. The young physician who replaced me was $74,000.

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Mr. CASSIDY. Excuse me, Congressman. I'm sorry, $74,000 a year for malpractice insurance?

Mr. ROE of Tennessee. Yes. And I spoke to a neurosurgeon just yesterday who is over $100,000 a year just in Tennessee. What happened in our State was the following: since the inception of that company, since the mid-seventies until now, that's 35 years, over half the premium dollars we've paid have gone to attorneys, less than 40 cents have gone to the injured party, and 10 cents go back for reserves and running the company.

What we have in America is a terrible system to actually pay for injured parties. If we have injured someone in a medical malpractice event, we have no good way except through the legal system, in which most of the money goes to the attorneys, both defense and plaintiff attorneys. We can't actually pay for the injured party.

That is what's wrong. And I would suggest that the attorneys have to come and help us get a system that better helps the injured party, to compensate them. If we hurt someone, let's compensate that person. Right now in

our State we have a terrible system to do that.

Mr. THOMPSON of Pennsylvania. Will the gentleman yield?

Mr. ROE of Tennessee. Yes.

Mr. THOMPSON of Pennsylvania. We have a bill that we've made reference to that Republicans put forward, H.R. 3400, which specifically addresses tort reform, among many other things. That bill essentially would remove the burden on health care today, which I consider part of the waste, and that is the medical liability premiums; $26 billion annually in medical liability premiums. That's not a price tag that considers the cost of defensive practice, and I understand that. I mean, you invest anywhere from $200,000 to $500,000 coming out of school in loans, and because of lawsuits, and many times frivolous lawsuits, you can lose your practice and lose your home over the ordering of additional tests. That has to be in the neighborhood of somewhere over $100 billion annually.

H.R. 3400, which we have put forward, if that would come to the floor and our colleagues on that side of the aisle would join with us, we could eliminate over $125 billion in unnecessary costs from health care today.

Mr. CASSIDY. Reclaiming my time, we have about 1 minute left together.

We can say that we have really two contrasting visions: one is basically nationalizing the health insurance industry; and although scored as an $81 billion cost savings by the Congressional Budget Office, we have discussed that that's in part because of cuts to Medicare, which means cuts to health care for folks on Medicare, unfunded mandates on the States so that States will force their taxpayers to either pay higher taxes or cut the amount of money available for construction, education, and such like that, to achieve something which frankly seems illusory.

But if we contrast that with what the Republican Party is proposing, which is to put patients in the middle of the process, to say to patients, Listen, once you're there, you are empowered to not only direct your health care, but to control costs. And we have quoted data from Kaiser Family Foundation how that truly happens, as well as the experience of groups like yours with numerous employees.

So at the end we will say that Republicans' ideas, I think, will empower patients, whereas the Democratic ideas appear to empower government.

Thank you for joining us.

AFGHANISTAN

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from California (Mr. ROHRABACHER) is recognized for 60 minutes.

Mr. ROHRABACHER. Madam Speaker, tonight I rise once again to draw the attention of my colleagues and the American people to Afghanistan. I say ''once again'' because over my 20-year career in Congress I have spoken many times and at great length about that distant and desolate country.

My interests and involvement in Afghanistan in fact date back before I was elected to Congress. During the 1980s, I was a special assistant to President Ronald Reagan. While I was primarily a speech writer, I soon learned after arriving at the White House with Reagan's team at the beginning of his administration that the President's words, once spoken and in the Record, become the policy of the executive branch.

As a speech writer, I not only would write the words, but would help determine what would be said. When I realized the influence I would have, I was in awe of where my life had led me.

I had worked hard in Ronald Reagan's gubernatorial campaigns when he first ran for Governor back in California. Later on, I worked on Presidential campaigns when Ronald Reagan ran for President in 1976 and 1980. And when he won in 1980, I went with him to the White House.

I am still honored that President Reagan brought me to the White House with him and that he trusted me enough to hold such a position of writing his words and working with him on his speeches. And I really appreciate the fact that often enough President Reagan backed me up when the remarks that I wrote were a little bit tougher than the policy statements that most of the senior staff of the White House wanted the President to say.

But I worked for President Reagan, I knew that. I didn't work for his staff; I worked for him. And I understood that he wasn't there to be President. He was there to make things happen, to change the course of our country, to redirect the confidence of our people from a downward spiral at that time to an upward thrust.

Those of us who worked for him knew firsthand that an unmistakable goal to which President Ronald Reagan was committed was to bring about a more peaceful world. That lofty goal was not going to be achieved by ignoring or downplaying threats or by sincere expressions of a desire for peace or by holding hands and singing kumbaya. Yes, part of Reagan's strategy to obtain a more peaceful world was rebuilding our military forces, this to deter aggression.

But let us look back and note that he rebuilt our military forces, but only on rare occasion did President Reagan send our troops into troubled spots in the far reaches of the world. He was hesitant to give the green light to use the military in such actions. He did so sparingly. He had a sense not to get us trapped into a prolonged conflict or a no-win situation.

He sent our marines to Lebanon for a specific mission. They were there to accomplish that mission, and they were supposed to leave within days. Then President Reagan was convinced, over his better judgment, to keep the marines in that war-torn city, Beirut, as a stabilizing force—get that, a stabilizing force in the most volatile region of the planet. The result was, of course, 295 dead marines, a setback for our country, but a catastrophe for 295 American families who lost loved ones.

It was especially hurtful to me. I grew up in a marine family. My father was a lieutenant colonel in the United States Marine Corps. I went to school and lived at Camp Lejeune and Cherry Point, North Carolina, when I was in eighth, ninth and 10th grade.

There my brother, who was also going to school with me, met and befriended a man who became his best friend, in fact, David Battle, who shortly after graduating from Camp Lejeune High School joined the Marine Corps. He was still 17 years old. Sergeant David Battle remained my brother's best friend.

And as Ronald Reagan was being inaugurated, right afterwards we went to Camp Lejeune and we visited with his family and with David Battle. He was a sergeant at that time. He had been in the Marines all that time, two tours of duty in Vietnam, and he was looking forward in a few years ahead to retiring from the Marine Corps. And there he had a small boat which he was going to be working the rivers and estuaries in North Carolina, collecting seafood and oysters and clams. He had his life picked out for him. It was going to be a fine retirement. We were very close to that family.

Then I went up and joined the White House staff. A few years later, when the bomb went off in the Marine barracks in Beirut killing 295 of our people, I immediately sought out the list of casualties and Sergeant David Battle, his name was the first on the list of those who had been killed. I went to my office in the White House and I wept. At that point, I pledged to myself that I would never, ever cease to step forward and try to make sense of something that didn't make sense and that would put our people in jeopardy.

President Reagan learned a bitter lesson; and to his credit, against the advice of some very aggressive national security advisers, President Reagan decided not to reinforce the decimated marine force in Lebanon. Instead, he pulled them out before we got stuck in a quagmire that would have been exploited by our major global enemy at that time, the Soviet Union. He took great care not to get us into a fight that we wouldn't be able to get out of.

Let me note, for all the name-calling suggesting Ronald Reagan was a warmonger for building up our Nation's military, Reagan's predecessors, both Republican and Democrat, sent our military into action far more often than did President Reagan. The liberation of Grenada from a bizarre and murderous Communist takeover—and that was just a very small, short operation—and in Lebanon, which turned